

Message Text

CONFIDENTIAL

PAGE 01 TEGUCI 00595 122126Z

71

ACTION ARA-20

INFO OCT-01 ISO-00 CIAE-00 COME-00 EB-11 INR-10 LAB-06

NSAE-00 RSC-01 SIL-01 PC-05 AID-20 USIA-15 DRC-01

/091 W

----- 007014

R 121808Z FEB 74

FM AMEMBASSY TEGUCIGALPA

TO SECSTATE WASHDC 6285

INFO AMEMBASSY GUATEMALA

AMEMBASSY MANAGUA

AMEMBASSY SAN JOSE

AMEMBASSY SAN SALVADOR

C O N F I D E N T I A L TEGUCIGALPA 0595

E.O. 11652: GDS

TAGS: ELAB, ECON, HO

SUBJ: HONDURAN MINIMUM WAGE DECREE

1. LABMIN FONSECA FEBRUARY 12 GAVE LABOFF A CONFIDENTIAL ADVANCE COPY OF THE GOH MINIMUM WAGE DECREE. FONSECA SAID THAT THE DECREE WILL BE ANNOUNCED SHORTLY AFTER GENERAL LOPEZ'S RETURN FROM HIS CURRENT TRIP TO PANAMA (TRIP WILL END ABOUT FEBRUARY 14). ADVANCE COPY SETS IMPLEMENTATION DATE AS MARCH 1, 1974.

2. DECREE PROVIDES:

A. 4 LEMPIRA DAILY (1 LEMPIRA EQUALS U.S. \$.50) MINIMUM WAGE FOR WORKERS IN MANUFACTURING, COMMERCE, CONSTRUCTION, TRANSPORT, WAREHOUSING, FINANCE AND SOCIAL SERVICES WITHIN THE JURISDICTIONS OF TEGUCIGALPA, SAN PEDRO SULA AND LA CEIBA;

B. 4 LEMPIRA DAILY MINIMUM WAGE FOR DOCK WORKERS, MINERS, OIL WORKERS, RAILROAD WORKERS, FISHERMEN AND EMPLOYEES OF COMMERCIAL BANANA PLANTATIONS, REGARDLESS OF

CONFIDENTIAL

PAGE 02 TEGUCI 00595 122126Z

LOCATION;

C. 3.5 LEMPIRA DAILY MINIMUM WAGE FOR WORKERS LISTED
PARA 2(A) IN JURISDICTION OF PUERTO CORTES, TELA, AND EL
PROGRESO;

D. 3 LEMPIRA DAILY MINIMUM WAGE FOR WORKERS LISTED PARA
2(A) IN ALL NON-LISTED LOCATIONS;

E. AGRICULTURAL WORKERS IN THE JURISDICTIONS LISTED
PARAS 2(A) (C) WILL EARN 3 LEMPIRA DAILY MINIMUM;

F. OTHER AGRICULTURAL WORKERS IN AREAS NOT LISTED WILL
EARN 2 LEMPIRA DAILY MINIMUM;

G. MANAGEMENT, GOVERNMENT WORKERS AND DOMESTIC EMPLOYEES
ARE EXCLUDED;

H. MINISTRY OF LABOR WILL ENFORCE LAW, WITH PROGRESSIVE
FINES BETWEEN 100 AND 5,000 LEMPIRAS;

I. ANY EMPLOYER FIRING AN EMPLOYEE NOW MAKING LESS THAN
THE NEW MINIMUM WAGE MUST DEMONSTRATE JUST CAUSE.

3. COMMENT: THE PURPOSE OF THE DECREE IS TO MEANINGFULLY
RAISE THE INCOME OF THE MAJORITY OF HONDURAN WORKERS.
LABMIN FONSECA HAS SAID THAT THE AVERAGE DAILY WAGE IN
TEGUCIGALPA IS 1.85 LEMPIRAS. MOST AMERICAN COMPANIES WILL
FEEL LITTLE OR NO EFFECT FROM THIS DECREE SINCE THEY GENERALLY
ALREADY PAY WAGES ABOVE THE NEW MINIMUMS. FOR EXAMPLE,
THE UNITED FRUIT - SITRATERCO (UNION) CONTRACT PROVIDES FOR
A 6 LEMPIRA DAILY MINIMUM.

THE MINIMUM WAGE DECREE WILL REPLACE EARLIER LEGISLATION
ENACTED IN 1971 WHICH HAS TO DATE NOT BEEN ENFORCED.
BEST ESTIMATES OF NUMBERS OF WORKERS AFFECTED WILL BE
FORWARDED BY AIRGRAM WITH TEXT OF DRAFT DECREE.
MUILS

CONFIDENTIAL

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: LABOR LAW, MINIMUM WAGE
Control Number: n/a
Copy: SINGLE
Draft Date: 12 FEB 1974
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: golinofr
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1974TEGUCI00595
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: GS
Errors: N/A
Film Number: n/a
From: TEGUCIGALPA
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1974/newtext/t19740237/aaaabjfr.tel
Line Count: 98
Locator: TEXT ON-LINE
Office: ACTION ARA
Original Classification: CONFIDENTIAL
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: CONFIDENTIAL
Previous Handling Restrictions: n/a
Reference: n/a
Review Action: RELEASED, APPROVED
Review Authority: golinofr
Review Comment: n/a
Review Content Flags:
Review Date: 10 SEP 2002
Review Event:
Review Exemptions: n/a
Review History: RELEASED <10 SEP 2002 by kelleyw0>; APPROVED <09 DEC 2002 by golinofr>
Review Markings:

Declassified/Released
US Department of State
EO Systematic Review
30 JUN 2005

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: HONDURAN MINIMUM WAGE DECREE
TAGS: ELAB, ECON, HO
To: STATE
Type: TE
Markings: Declassified/Released US Department of State EO Systematic Review 30 JUN 2005